

Before the
UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Ripley Iowa Post Office
Ripley, Iowa 50235

Docket No. A2012-56

PUBLIC REPRESENTATIVE'S REPLY COMMENTS

(January 12, 2011)

I. INTRODUCTION

This case addresses Petitioner Mary Weaver's appeal of the Postal Service's decision to close the Ripley, Iowa Post Office.¹ Petitioner Weaver supplemented her petition with a timely-filed Participant Statement.² Most of her concerns fall within the statutory categories of a proposed closing's effect on postal services, effect on the community, and economic savings. See Weaver Statement at 1-2. In addition, in lieu of closing the Ripley Post Office, Petitioner Weaver proposes partial window service and asks for a "common sense approach to sharing of postal office services with an adjoining community." *Id.* at 2. Others also asked whether the Post Office box section of the building could be kept open. See AR/Item No. 47 at 6 (C/R 36) and 10 (C/R 71).

¹ The Commission accepted Mrs. Weaver's Petition in Order No. 990 (issued November 22, 2011). Order 990 was published at 76 FR 73746 on November 29, 2011.

² See document identified as a Participant Statement filed by Mary Weaver on December 14, 2011 (Weaver Statement).

In addition to the Weaver Petition, the Postal Service also received a petition (with 175 signatures) supporting the continued operation of the Rippey Post Office. *Id.* at 2.³

II. OPERATIONAL AND FINANCIAL CONSIDERATIONS

Location. Rippey is an unincorporated community in Greene County, Iowa. *Id.* at 6. This places it in west central Iowa, about 45 minutes from Des Moines, the state capital, and Ames, home of Iowa State University. In earlier days, Rippey was the site of a large coal mining operation, as well as agricultural interests, but the vein eventually ran dry. Rippey remains home to agricultural and other commercial interests.⁴

Current operations. The Rippey Post Office, which is open six days a week, has been operated by an Officer-in-Charge since a Postmaster vacancy occurred in 2003. *Id.* at 2 (Section I). The Postal Service says the position has not been filled due to a hiring freeze. *Id.* at 3 (C/R 7) and 7 (C/R 48).

The following table, developed from documents in the Administrative Record, presents additional selected data and information about current Rippey Post Office operations.

³ Item 47 is the Final Determination. Citations to the Administrative Record in this document typically use the abbreviation “AR.” All AR references are to the version filed December 29, 2011 pursuant to United States Postal Service Notice of Filing Corrected Administrative Record – Errata (December 29, 2011). “Concern and Response” is cited as C/R.

⁴ Statements in this paragraph drawn from <http://www.co.greenecountyiowadevelopment.org> and <http://www.co.greene.ia.us/>.

Table 1
Ripsey (Iowa) Post Office
Selected Operational Data and Information

Customers	
P.O. Box	79
City Delivery Customers	0
Meter or Permit Customers	0
Rural Route	144
Retail Operations	
Monday – Friday	
Window Service Hours	7 a.m. to 12 Noon 12:30 p.m. to 3 p.m.
Lobby Hours	24 hour access
Saturday	
Window Service Hours	8 a.m. to 11 a.m.
Lobby Hours	24 hour access
Average daily retail window transactions/daily workload	17 transactions/ 19 minutes

Source: Adapted from AR (as revised 12/29/2011), Item No. 47 at 2.

The Grand Junction Post Office is also open six days a week, and the number of operating hours are roughly similar; however, the opening and closing times differ slightly on Monday through Friday and are considerably shorter on Saturday. *Id.* at 2.

Finances. Revenue at the Ripsey Post Office (as shown in the following table) increased from FY 2007 to FY 2008, but then dropped substantially in FY 2010.

Table 2
Ripsey Post Office
Revenue Trends

Year	Amount (in \$)	Direction
FY 2008	27,387	--
FY 2009	29,433	Up
FY 2010	22,717	Down

Source: (Revised) Administrative Record, Item No. 47 (Final Determination) at 2 (Section I).

The Postal Service cannot explain the uneven results and the large decline (of more than \$6700) from FY 2009 to FY 2010. Instead, in response to a patron's inquiry about whether the study reflected a volume decline due to customers use of Federal Express and UPS, the Postal Service states: "It is hard to determine an exact decrease in business. This study is based on the facts that we are able to determine." *Id.* at 8 (C/R 60).

Anticipated savings. The Postal Service notes that its total annual savings of \$53,707 includes savings derived from rental costs. It says that it intends to fulfill its lease obligation through 2018. It notes that as current rental costs are \$19,200, it expects total savings of \$34,507 annually through 2018 (the conclusion of the lease) and \$53,707 thereafter. Memorandum at 1(Point 3). Participant Weaver suggests that the expense could be reduced by renegotiating the lease. Weaver Petition at 2. The Postal Service's response is that intends to honor the lease, and may be able to sublease the property. AR/Item No. 47 at 11 (C/R 83).

III. THE INTERESTS OF THE GENERAL PUBLIC

The interests of the general public in post office closings typically involve the accuracy of the record, including demonstration of compliance with procedural requirements; the transparency of the Postal Service's decision-making, and responsiveness to patrons' concerns.

The Administrative Record indicates that the Postal Service satisfied technical posting requirements in terms of the required minimum number of days. See AR/Item Nos. 24 and 48. The Postal Service distributed questionnaires and held a community meeting. AR/Item No. 47 at 2. It also submitted a revised Administrative Record to correct several errors and omissions in the original filing. See December 29, 2011 electronic filings. Given these actions, it appears that no valid challenge to technical compliance with procedural requirements exists.

Accordingly, the focus of these Reply Comments on:

- uncertainty about the type of replacement service;
- related uncertainties about the location of a CBU, if needed, and the distance to curbside boxes; and
- Rippey’s “Catch 22” status under the closing process and other postal developments.

A. Uncertainty about type of replacement service

It is unclear on the record whether the Postal Service plans to provide rural delivery to Rippey residents via curbside boxes, via a CBU, or to a combination of these delivery points. There is a generic statement at the outset of the Administrative Record referring to the provision of “rural route service.” A/R/Item No. 47 at 2 (Section I). This is repeated in the Summary. *Id.* at 14 (Section VI). At first impression, the record seems to indicate that CBU delivery will be provided only if demand from Rippey residents for boxes at Grand Junction exceeds supply. (As Grand Junction has 70 available boxes, and there are now 79 boxholders at Rippey, excess demand may be an issue. And demand from Grand Junction residents may also test Grand Junction’s box capacity). However, in response to a question about mailbox installation and maintenance, the Postal Service states that cluster box units are purchased, installed, and maintained by Postal Service at no expense to customers. *Id.* at 3 (C/R 4).

This response points to CBU as perhaps the exclusive alternative, but the following exchange casts doubt on that conclusion:

Concern: Customers wanted to know what other options they have besides CBUs?

Response: Curbside boxes are an option but they will not be placed at each house, they may require some individuals to walk two or three blocks to obtain their mail in an unsecure curbside mailbox.

AR/Item No. 47 at 10 (C/R 74).

B. Uncertainty about location of CBU

It is understandable that the Postal Service does not know, in advance of closing, how many Rippey boxholders will opt to obtain box service at the Grand Junction Post Office. However, if a need for CBU service develops (or if CBU service is the main alternative for current boxholders), the record shows that transition may not be seamless. In fact, although the Postal Service states it was engaged in discussions with the Mayor regarding a spot for installation of CBUs on city property, a Memorandum to the File filed with the Commission on December 29, 2011 confirms that no location had yet been found, despite ongoing negotiations with the Rippey community. See Memorandum at 1. In light of this, there may be an unintended interruption in “regular and effective service” for at least some Rippey residents. Moreover, Rippey residents are hindered in making decisions about choice of service, stationery, and related matters.

In fact, the Postal Service confirms the uncertainty, as it includes the following in its Comments:

Upon implementation of the Final Determination, delivery and retail services will be provided to CBUs or curbside mailboxes via rural route service under the administrative responsibility of the Grand Junction Post Office.

Postal Service Comments, December 29, 2011, at 4.

The point is not that the Postal Service should be foreclosed from providing delivery to one type of receptacle or another, but that at even a very late stage (the end of 2011) residents do not have a clear picture of where they will be receiving mail. To date, the extent of the Postal Service’s to provide certainty on this point does not appear to have been explored to any significant degree in the appeals process.

C. Rippey's "Catch-22" — several times over

The first "Catch 22." When the community meeting was held on May 25, 2011, the Rippey Post Office was one of 82 offices the Postal Service was reviewing for possible closure in the Hawkeye District. *Id.* at 9 (C/R 64). Grand Junction, the replacement office, was not among them. See Postal Service Comments at 11 (n. 11). Rippey's inclusion in this group is the first of three "Catch 22s" in which it is embroiled. It appears the main reason these Iowa offices were being studied is that they shared a common trait: a postmaster vacancy. At the time, Postal Service regulations identified this as a reason, sufficient in itself, to review an office.

Second and third "Catch 22s." Next, under the Postal Service's interpretation of the new moratorium, Rippey is deemed "in progress" and therefore does not gain any breathing room via that avenue. In addition, the Village Post Office concept either had not been broached or had not gained enough traction for this option to be considered for Rippey residents, despite the clear record evidence that many are seriously interested in some form of brick-and-mortar alternative to the proposed replacement service.

Fourth "Catch 22." Finally, the Postal Service is not able to explain to Rippey residents what accounts for the startling \$6700-plus single-year drop in revenue, following a year in which the Post Office saw a year-over-year increase of \$2000 in a year that was tough in economic terms across the Nation. It simply says: "It is hard to explain"

The Postal Service is the repository of all pertinent data. It should, at a minimum, be able to tell the residents if the drop is attributable to a fall-off in the use of a certain class of mail. Absent this, Rippey residents, as a practical matter, are left in the dark and, as an evidentiary matter, support for the "declining revenue" rationale for closing is limited.

IV. CONCLUSION

Review of the record reveals that the Postal Service followed its conventional approach to estimating cost savings. This approach has drawn some criticism from Commissioners in the past. In this case, the leasehold obligation continues until 2018 and therefore casts a different light on the anticipated savings.

The record also makes clear that Petitioner Weaver and other patrons would like to see the Rippey Post Office stay open, even if operating hours are reduced or if they only have access to post office boxes. The Postal Service's response provides more specificity than in previous cases; however, the "all or nothing" approach to a brick-and-mortar retail presence is understandably disappointing to patrons. Critical decisions about the fate of the Rippey Post seem to have predated the Village Post Office concept.⁵ As such, it would be in the public interest for Rippey to be considered as a possible site or for the Postal Service to consider other partial measures.

The "gamble" on where CBUs or curbside boxes will be installed is a concern. As of December 29, 2011, the Postal Service still had not located a suitable spot. This uncertainty may mean that "regular and effective service" will not be a reality for some customers. There is also uncertainty over whether a "curbside box" will be located at the customer's curb ... or at someone else's, a few "walkable" blocks away.

In conclusion, the patrons of the Rippey Post Office are in a Catch-22, several times over:

- the review was triggered by a postmaster vacancy, when that was still a main factor;
- the case was "in progress" under the Postal Service's interpretation of the moratorium;

⁵ The Public Representative's reading of the record reveals that the Postal Service appears to be paying increasing attention to providing tailored responses to patrons' concerns and additional detail.

- no “Village Post Office” option was available, despite evidence of patrons’ interest in some form of continued brick-and-mortar presence for the Postal Service; and
- there is a large, unexplained drop in revenue.

Accepting Rippey’s status in terms of the moratorium, consideration nevertheless ought to be given to the implications of the uncertainty over the receptacles that will be used for replacement service and their location. In addition, the lack of an adequate explanation for the large, unexplained drop in revenue undermines confidence in the process and the contention that there is “substantial evidence” of low revenue.

Respectfully submitted,

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